

Provided by: CHIMEI MATERIALS TECHNOLOGY CORP.

Subject	Announcement of resolution of board meeting on 10 Jan, 2018 for subsidiary, KSCMMT. The board of directors approved the motion of capital increase.
Date of events	2018/1/10
Contents	1.Date of occurrence of the event: 2018/1/10 2. Company name: Subsidiary, KUNSHAN CHIMEI MATERIALS TECHNOLOGY CORPORATION (hereinafter referred to as: KSCMMT) 3.Relationship to the Company (please enter "head office" or "subsidiaries"): subsidiary 4.Reciprocal shareholding ratios: N/A 5. Cause of occurrence: The motion of capital increase of 146 million US dollars was approved by KSCMMT board meeting on 9th, November, 2017. Hangzhou Jinjiang Group proposed to transfer all the stock rights (46%) to Xian HengChun investment management partnership enterprise (XIAN fund) before capital increase issuance. Hangzhou Jinjiang Group and Zhejiang RenYuan Imp. & Exp. Co. Ltd will not join capital increase. 146 million US Dollars will be invested by Chimei Materials Technology Corp. (50%) and Xian HengChun investment management partnership enterprise (50%) (XIAN fund) which will be 73 million US Dollars for each party (146 million US Dollars * 50%). After the issuance of capital increase, shareholding ratio will be as follow, Chimei Materials Technology Corp. owns 49%. Xian HengChun investment management partnership enterprise (XIAN fund) owns 48%, and RenYuan Imp. & Exp. Co. Ltd owns 3%. The fund is mainly for 2.5 m production line investment. 6.Countermeasures:N/A 7. Any other matters that need to be specified: The issuance of capital increase will be valid after approval of government.